

BEFORE THE
ILLINOIS COMMERCE COMMISSION

IN THE MATTER OF:)
)
NORTH SHORE GAS COMPANY)
) No. 10-0565
Petition pursuant to Rider EEP)
of schedule of rates for gas)
service to initiate a)
proceeding to determine the)
accuracy of the Rider EEP)
reconciliation statement.)

Chicago, Illinois
October 26, 2010

Met, pursuant to notice, at 1:00 p.m.

BEFORE :

Mr. David Gilbert, Administrative Law Judge

APPEARANCES :

MS. MARY KLYASHEFF
130 East Randolph Drive
20th Floor
Chicago, IL 60601
(312) 240-4470
for North Shore Gas Company;

MS. MEGAN C. McNEILL and
MS. JENNIFER L. LIN
160 North LaSalle Street
Suite C-800
Chicago, IL 60601
(312) 793-8185
for ICC Staff;

1 APPEARANCES (cont.):

2 MS. KAREN L. LUSSON
3 100 West Randolph Street
4 11th Floor
5 Chicago, IL 60601
6 (312) 814-1136
7 for the People of the State of Illinois;

8 MS. CELIA CHRISTENSEN
9 309 West Washington Street
10 Suite 800
11 Chicago, IL 60606
12 (312) 263-4282
13 for the Citizens Utility Board.

14

15

16

17

18

19

20

21 SULLIVAN REPORTING COMPANY, by
22 Jean M. Plomin, CSR, RPR
23 License No. 084-003728

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

I N D E X

| <u>Witnesses:</u> | <u>Direct</u> | <u>Cross</u> | <u>Re- direct</u> | <u>Re- cross</u> | <u>By Examiner</u> |
|-------------------|---------------|--------------|-----------------------|----------------------|------------------------|
| None. | | | | | |

E X H I B I T S

| <u>Number</u> | <u>For Identification</u> | <u>In Evidence</u> |
|---------------|---------------------------|--------------------|
| None. | | |

1 JUDGE GILBERT: Pursuant to the authority of
2 the Illinois Commerce Commission, I now call Dockets
3 10-0565 -- I can't do it that way. I'm just calling
4 Docket 10-0565.

5 If I could have appearances for the
6 record, please, beginning with Petitioner.

7 MS. KLYASHEFF: Appearing for North Shore Gas
8 Company, Mary Klyasheff, 130 East Randolph Drive,
9 Chicago, Illinois, 60601.

10 MS. McNEILL: Appearing on behalf of Staff of
11 the Illinois Commerce Commission, Megan McNeill and
12 Jennifer Lin, 160 North LaSalle, Suite C-800, 60601.

13 MS. LUSSEN: On behalf of the People of the
14 State of Illinois, Karen Lussen, 100 West Randolph,
15 11th Floor, Chicago, Illinois, 60601.

16 MS. CHRISTENSEN: On behalf of the Citizens
17 Utility Board, Celia Christensen, 309 West
18 Washington, Suite 800, Chicago, Illinois, 60606.

19 JUDGE GILBERT: Okay. We're here on a petition
20 by the Peoples Gas Light and Coke Company pursuant to
21 Rider EEP. There's also been a petition filed in
22 Docket 10-0566 by Petitioner's affiliate, the North

1 Shore Gas Company.

2 Is there any interest in consolidating
3 these two proceedings? Anyone want to move to
4 consolidate?

5 MS. McNEILL: Staff would move to consolidate
6 these dockets. The riders are similar and the
7 requirements are also similar in the reconciliation.
8 So in the interest of efficiency, Staff would move to
9 consolidate.

10 JUDGE GILBERT: Okay. Does anyone object to
11 consolidation?

12 MS. LUSSON: No objection.

13 JUDGE GILBERT: Okay. The two cases will be
14 consolidated. We'll go ahead and deal with some of
15 the procedural and scheduling details for the
16 consolidated cases now. After we do that, I'll call
17 the other docket, and appearances can be made, and
18 we'll complete the consolidation. And all the
19 details we establish today in this docket will apply
20 in the consolidated docket which will affect both
21 companies.

22 My understanding is that some

1 discovery has already gone on; is that true?

2 MS. McNEILL: Is has not begun yet.

3 JUDGE GILBERT: Okay.

4 MS. McNEILL: Staff wanted to have the dockets

5 consolidated so we could do a consolidation of

6 discovery as well.

7 JUDGE GILBERT: Okay. And is the default

8 28-day response period going to be sufficient from

9 Staff's point of view?

10 MS. McNEILL: No. I believe the company has

11 agreed to a 21-day turnaround time for DR responses.

12 JUDGE GILBERT: Ms. Klyasheff, is that

13 agreeable to you?

14 MS. KLYASHEFF: Yes, it is.

15 JUDGE GILBERT: So that turnaround time will

16 apply to any DRs submitted in the case. If there's a

17 need to alter that in either direction, a motion can

18 be made by whatever parties are involved.

19 Okay. Ms. McNeill and Ms. Lin, did

20 you want to address the witness presentation for

21 Petitioners?

22 MS. McNEILL: Regarding the panel testimony?

1 JUDGE GILBERT: Yeah, if that's a concern to
2 you.

3 MS. McNEILL: Sure. Staff noticed that the
4 company had filed some panel testimony which was
5 actually a short piece of testimony. However, it
6 seemed the company, I guess, just wanted those two
7 witnesses -- or both of those witnesses to sponsor an
8 exhibit.

9 So for efficiency for a future
10 hearing, Staff would propose that that testimony be
11 separated out. And I think the company had agreed to
12 look into that and hopefully address that concern by
13 separating that testimony out.

14 JUDGE GILBERT: Okay. Ms. McNeill, is your
15 idea that new testimony would be filed -- would
16 actually be physically filed so there would be
17 separate testimonies from Ms. Beitel and Mr. --

18 MS. KLYASHEFF: Michalkiewicz.

19 JUDGE GILBERT: -- Michalkiewicz? Thank you.

20 MS. McNEILL: Yes. Or, in the alternative, I
21 suppose if they just wanted one witness to sponsor
22 that testimony and the one exhibit, I'd leave that up

1 to the company.

2 JUDGE GILBERT: Okay. So there will either be
3 two separate testimonies or one of these witnesses
4 would drop off of this testimony?

5 MS. McNEILL: Correct.

6 JUDGE GILBERT: Okay. Ms. Klyasheff, are you
7 prepared to agree with that now, or is that something
8 you want to think about and notify Staff of your
9 preference at some later time?

10 MS. KLYASHEFF: The company will look into it
11 and advise Staff and the parties of how we propose to
12 handle that request.

13 JUDGE GILBERT: Okay. My understanding is
14 we're going to continue this case for several months.
15 So if the position of the two companies is to reject
16 or oppose Staff's recommendation, rather than coming
17 back in, I think we're going to need some way to
18 handle this. I imagine you're just going to have to
19 file a motion, Staff.

20 MS. McNEILL: File a motion to -- we would file
21 a motion probably to object to the panel testimony
22 then.

1 JUDGE GILBERT: Okay. I mean, just sort of
2 noodling this through, you could object to the
3 written filings; I suppose you could reserve your
4 objection until the time of cross-examination, I
5 guess are the different ways of handling this.

6 MS. McNEILL: Well, I'd hate to do that and
7 then put the company in the position of filing more
8 panel rebuttal and then -- it just makes it harder to
9 separate out at the end of the docket as opposed to
10 now, at this point in time, before they file anything
11 further.

12 JUDGE GILBERT: Okay. Let's do it -- go ahead.

13 MS. McNEILL: We aren't opposed to trying to
14 work it out with the company; and if we can't, then
15 maybe we could just let you know and then Staff would
16 file something written.

17 JUDGE GILBERT: Okay. Well, then let's
18 consider these courses of action: If there's
19 agreement between the company and Staff, just act in
20 accordance with your agreement. If that means filing
21 something to replace what's already in the record or
22 to supplement what's already in the record, notify me

1 that you're going to do that and then go ahead and do
2 it.

3 MS. McNEILL: Okay.

4 JUDGE GILBERT: All right. If there's
5 disagreement, it would seem to me it would be Staff's
6 motion -- I don't think the company has anything to
7 move about in that case -- so it would be Staff's
8 motion. Go ahead and file that. We'll have plenty
9 of time, so we can use, at a minimum, the standard
10 response time for motions, the standard 14 days. If
11 you want to allow each other more time to respond and
12 reply, you can certainly do that because, as I
13 understand it, we're not going to hear this case
14 before March of next year.

15 So, again, either let me know and go
16 ahead and do what you need to do in order to
17 implement your agreement or go ahead and file a
18 motion and establish whatever schedule suits you.
19 And if you can't agree on a schedule, use the default
20 schedule for motion response and reply.

21 All right. And then, yeah, the last
22 thing is to select a continuance date. And we

1 discussed that prior to going on the record, and the
2 parties have agreed on March 3rd at 1:00 p.m.

3 I guess there's an internal audit that
4 has to be performed yet by each of the companies; is
5 that correct?

6 MS. KLYASHEFF: The rider includes an internal
7 audit requirement with a due date of January 2nd.

8 JUDGE GILBERT: Okay. Thank you.

9 And in addition there's a docket
10 concerning Rider EEP reconciliation, a consolidated
11 docket, involving the same two petitioners. And I
12 think we all agree that there may be some principles
13 articulated there that would help guide the parties
14 in their conduct in these consolidated dockets. And
15 there probably won't be a final order in that case
16 until sometime early next year, presumably in January
17 or February.

18 So with that, we will continue the
19 case until March 3rd at 1:00 p.m.

20 Anything else anyone wants to add for
21 the record?

22 MS. McNEILL: Nothing from Staff.

1 MS. LUSSON: Nothing.

2 MS. KLYASHEFF: Nothing from the company.

3 MS. CHRISTENSEN: Nothing.

4 JUDGE GILBERT: Okay. We're good. See you

5 March 3rd, 1:00 p.m. Thanks.

6 (Whereupon, the above-entitled

7 matter was continued to

8 March 3, 2011, at 1:00 p.m.)

9

10

11

12

13

14

15

16

17

18

19

20

21

22